



## *National Provider Identifier Outreach Initiative Information Sheet: Are You Eligible for a NPI?*

### How Do You Know If You Need a NPI?

In the health care world, entities that provide services to patients and receive reimbursement from health plans have all been referred to as “providers.” Under HIPAA, the definition of provider becomes very important as the law applies to “health care” providers. You need to know if you are a *health care provider* to determine if you can apply for and obtain a NPI.

The Transactions and Code Set Final Rule defined health care provider as follows:

*Health care provider* means a provider of services (as defined in section 1861(u) of the Social Security Act [SSA], 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in section 1861(s) of the SSA, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business.

*Health care* means care, services, or supplies related to the health of an individual.

*Health care* includes, but is not limited to, the following:

- (1) Preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care, and counseling, service, assessment, or procedure with respect to the physical or mental condition, or functional status, of an individual or that affects the structure or function of the body; and
- (2) Sale or dispensing of a drug, device, equipment, or other item in accordance with a prescription.

The citations in the Social Security Act identify some providers of service as hospitals, skilled nursing facilities, comprehensive outpatient rehabilitation facilities, home health agencies, and hospice programs. The types of services that health care providers provide include physician services, hospital services, diagnostic services, outpatient physical and occupational therapy, prescription drugs, dialysis services, rural health clinic and FQHC services, certified nurse midwife services, psychologist services, diabetes training, x-rays and many more.

Additionally, the NPI Final Rule added a “covered health care provider” definition. A *covered* health care provider is a health care provider that submits standard transactions mandated by HIPAA electronically.

So, in order to determine who needs to have a NPI, providers can be split into three major groups:

Who is eligible to obtain a NPI

Who is required to obtain a NPI

## Who is not eligible to obtain a NPI

All entities, both individuals and organizations, that meet the HIPAA definition of a “health care provider” per 45 CFR § 160.103 are eligible to obtain a NPI. All covered health care providers (entities that meet the definition of a “health care provider” AND meet the definition of a “covered entity”, i.e., a health care provider who submits standard electronic transactions) are required to obtain a NPI. If the entity does not meet the definition of a “health care provider” as defined under HIPAA, then the entity is not eligible to obtain an NPI. Examples of providers who are not health care providers and do not provide health care include non emergency transportation providers such as taxis, personal care attendants, building contractors, language interpreters, etc. These types of providers are referred to as “atypical service providers.”

If you are a health care provider that submits standard electronic transactions, you must obtain and use a NPI to be identified in those transactions. Even if you do not submit electronic transactions, it is important that you obtain and use a NPI. Often other providers must identify you in a standard transaction. For example, if you prescribe drugs, the pharmacy must identify you as the prescriber in the claim filed to obtain reimbursement for the drug. A hospital may need to identify you as the attending or operating physician. You may need to be identified as a referring provider by one of your colleagues for example for a diagnostic test. Many health plans will also require that you obtain a NPI and use it even if you continue to submit paper claims. So it is very important that if you are a health care provider, you obtain and use a NPI when conducting business with health plans.

If you are not a health care provider and you do not provide health care, you are not eligible to obtain or use a NPI. If you are an atypical service provider, you will need to contact any health plan that you do business with to find out how they plan to have you continue to bill your services to them.